

Thomas Anusic

Pro Se

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

CELSIUS NETWORK LLC, *et al.*,¹

Debtors.

)
) Chapter 11
)

) Case No. 22-10964 (MG)

) (Jointly Administered)
)

The Honorable Martin Glenn

Chief Bankruptcy Judge

United States Bankruptcy Court for the Southern District of New York

Alexander Hamilton U.S. Custom House

One Bowling Green New York, NY 10004

**Re: *In re Celsius Network LLC*, et al., Case No. 22-10964 (MG) COMPLAINT for
Inequitable Subordination Section 510(c), Unfair and Inequitable 1129, and follow-up
to pleading 11749**

Dear Chief Judge Glenn:

Mr. Anusic respectfully writes pursuant to Section 1129, requesting a ruling or prayer for relief on the matter at the Court's earliest convenience.

Under section 1129, plans must be "fair and equitable" in order to be confirmed. Section 1129(b)(2)(B)(ii) provides guidance as to what constitutes "fair and equitable."

The plan involves coercion, by promising an additional 5% recovery to those who vote yes and unfairly penalizes those who had held either CEL token or "Other CEL Claims" this forces myself to vote no to the plan otherwise I would forfeit my rights to claims and thus I am forced into gambling the claims in an ADR or Mediation Process.

As advised by Gregory and Aaron at White&Case which a Litigation Administrator could handle the process who I fear may be biased and may not be familiar with the mitigating circumstances surrounding the CEL backed liquidations and OTC transactions. As I have contacted the UCC, W&C and the Debtor and their council Kirkland multiple times to amicably settle the matter without success they claim the liquidations were "proper" but have not answered the questions put forth to them as follows:

Where is the transaction ID for the OTC sale?

They claim CEL is a Security but Securities need proof of delivery in my name, I would like receipt of the delivery of the purchase into a personal wallet of mine outside of the debtor-controlled wallets.

Where is the transaction ID of the liquidation?

Where did the token go? A "liquidation" needs to be sold on the open market so show me the blockchain receipt of the liquidation that was "Proper" or was the asset simply marked up or down on an internal spreadsheet of the debtor?

Why were CEL released ahead of their KPI's and dumped on the market which dates did they get released?

After the alleged OTC transaction, it was revealed on AMA's Celsius had not stuck to their "Token Unlock" schedule which has now been scrubbed from the internet. This secretive unlocking of tokens ahead of their price target weighted length lock had a dramatic impact on the tokens price and liquidation of retail users who took CEL backed loans in good faith. And gave insiders an opportunity to front-run the bankruptcy exiting the token.

How many insiders dumped knowing that the debtor was promoting taking CEL backed loans and allegedly manipulated them by front-running the bankruptcy?

Why won't you release the FTX Data prior May 2022?

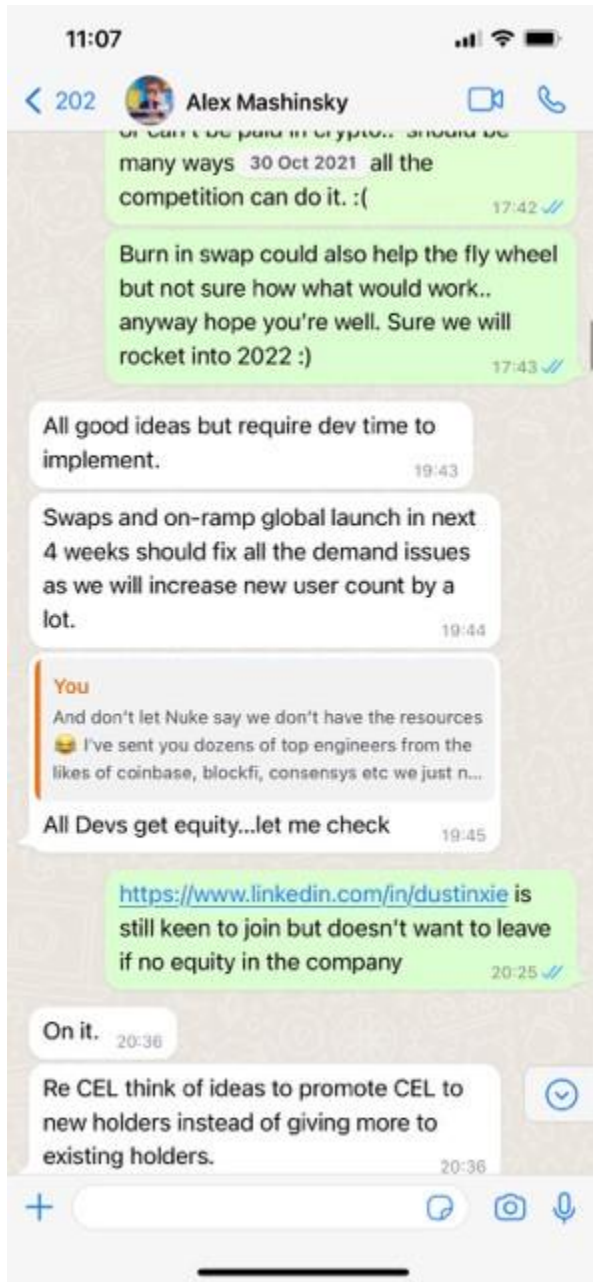
The expert report by Elementus as very strategically taken Data just after the liquidation event when substantial amounts of CEL was sold down on external exchanges (And of a similar time to the Directors moving/cashing out wallets leading up to the event)

Why did Rod Bolger send out a safety and security PDF to me just before the bankruptcy encouraging me to send more funds and denying the troubles within the company?

He clearly knew the company was insolvent as their CFO at the time, this cost users who received the email additional losses sending in more assets to prevent liquidation (That were not even used) <https://celsiusnetwork.medium.com/get-to-know-rod-bolger-chief-financial-officer-celsius-9c60718f205d> (This was personally emailed to me as a PDF from the Debtor when they were trying to get more funds sent to the platform)

Why did Alex prevent me closing the loan out on the green?

His WhatsApp up texted states 4 weeks for swaps then the downward trend started and he never enabled them until after the liquidation?



I also have conversations with Kenny, Tal, Wasem, OTC desk, Tyler, and many others asking why the SWAPS was not enabled in my account. I had told the Debtor on numerous occasions I needed access to SWAPS in order to get USDT stables to pay my loan. (And told them at the time that my local exchange in Australia did not have USD Stables) they ensured me I would have access but this did not happen.

In fact, it was my intent to close the loan down when the token price was over \$7 USD but I was prevented to do this. I would have never taken the loan out if I knew that the swaps product would not launch by their proposed dates.

equitable subordination

According to section [510\(c\) of the Bankruptcy Code](#), equitable subordination is a [common law doctrine](#) that protects unaffiliated [creditors](#) (i.e., outsiders, [bona fide third party](#)) by giving them [rights](#) to corporate [assets](#) superior to those of creditors who happen to also be significant [shareholders](#) of the firm. This doctrine is designed to [remedy](#) the situation that confers an unfair advantage on a single creditor at the expense of others.

For this doctrine to apply, the creditor to be subordinated must be an equity holder and an insider at the [company](#), typically a corporation [officer](#), and must have in some manner behaved unfairly or wrongly toward the corporation and its outside creditors.

As mentioned in my above questions, how can they claim CEL is a security if EARN isn't? Your Honor your own transcripts with Aaron Colodny are also aware of this point, and the SEC's position. W&C are willing to gamble billions of dollars of creditor funds just to avoid giving a minimal amount to a substantially harmed group of creditors who have been treated unfairly and inequitably in their position.

I would ask the question, is it fair to subordinate 1 creditor "Crypto" asset over another creditors asset? How is that equitable or fair?

I would also like to bring attention to the CEL token and how I believe the attorneys have been misleading the courts not only on it's value, but how the distribution puts those who purchased CEL at a disadvantage.

When someone signs up to the Celsius Network Platform (Estimated around 600,000+ accounts) they would retrieve a bonus \$50+ in form of BTC, CEL or USD. They would then receive free "Earn in CEL" interest on their deposits. (Remember the OTC purchases took multi-millions and the reports show that the company was NOT profitable, so those interest payments were from the real USD we sent to the Debtor.)

The larger accounts could have accrued a nice portion of CEL for FREE but they will be eligible to get a complete pro-rata recovery under the plan. (They are incentivized to vote in favor of the plan as they will benefit the most and they had no skin in the game for the free token which CEL holders arguing the unfairness had used substantial funds to buy and held a much higher percent of their portfolio in the token)

Now only around 25% users even bothered to vote which makes it even more unfair as the groups that will be rewarded the highest will vote yes. And the minority groups 2-3% will be unjustly harmed as their pro-rata portion of recovery will be going to the other 25% of users due to unfair subordination. Where the 75% of users who don't have a substantial interest couldn't care either way will get \$50-200 each even if they don't remember who Celsius is, nor care about the bankruptcy as they got their tokens FREE compared to us who paid large amounts of funds for ours that will go to there recovery which may never even be claimed.

PLEA FOR RELIEF

Your Honor, I follow-up to my prayer for relief pleading 11749, where I wrote to you regarding the unfair treatment of the Debtor insisting on the loan obligation be paid even though they have the USD already, and also have the ASSET as well. As this is not fair nor equitable, I respectfully request a ruling on my plea and propose one of the following options:

1. Since the plan does not address "Other CEL Claims" equitably nor prove liquidations happened on market or done without manipulation the Debtor is to include CEL Backed Loan Liquidation Claims an in the Plan at the Entry Price of the Token.
2. Since the OTC Transactions have no receipt of ever been delivered the USD sent to be returned in full for all 4 of my Reg S "Subscription Agreements" between my personal account and company account either in cash or as an approved claim within the plan.
3. All loans for my Creditor account and that of HR national Pty Ltd to be waived in Full, since the Debtor has both the USD and Asset back.
4. As I was unable to exit my loan at \$7.80 approval of missed opportunity costs or 180% of the OTC value \$1,440,000m to be paid in cash or approved as a claim within the plan.

Allowing 1 of these options to be approved will be a small step towards fairness, so I to can receive some recovery like other earn creditors and that I am not setoff twice for each loan. I have approached all parties with good faith, and am conscious of delaying the bankruptcy and hurting other creditors. The total amount of OTC purchases is \$800,000 (\$540,000 for HRN and \$260,000 personal account) and my BTC is held hostage inside of a loan that would be setoff again at market lows greatly reducing any chance of a fair recovery. Clearing the slate on the fake OTC transaction and fake liquidation, will allow what little BTC collateral is left to be treated as a general earn claim and entitle me to the same pro-rata recovery as everyone else (Approx 65-67% mixed between crypto and NewCo stocks) of whatever is left.

All I want is my fair share of the recovery and not be unjustly subordinated for a purchase that was never even delivered and still to do this day in the debtor's hand.

Thank you,

Tom
Pro-Se